# Received by NSD/FARA Registration Unit 03/16/2017 9:20:59 AM OMB No. 1124-0004; Expires April 30, 2017

U.S. Department of Justice

Washington, DC 20530

## Exhibit B to Registration Statement Pursuant to the Foreign Agents Registration Act of 1938, as amended

INSTRUCTIONS. A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements, or, where no contract exists, a full statement of all the circumstances by reason of which the registrant is acting as an agent of a foreign principal. Compliance is accomplished by filing an electronic Exhibit B form at <a href="http://www.fara.gov">http://www.fara.gov</a>.

Privacy Act Statement. The filing of this document is required for the Foreign Agents Registration Act of 1938, as amended, 22 U.S.C. § 611 et seq., for the purposes of registration under the Act and public disclosure. Provision of the information requested is mandatory, and failure to provide the information is subject to the penalty and enforcement provisions established in Section 8 of the Act. Every registration statement, short form registration statement, supplemental statement, exhibit, amendment, copy of informational materials or other document or information filed with the Attorney General under this Act is a public record open to public examination, inspection and copying during the posted business hours of the Registration Unit in Washington, DC. Statements are also available online at the Registration Unit's webpage: <a href="http://www.fara.gov">http://www.fara.gov</a>. One copy of every such document, other than informational materials, is automatically provided to the Secretary of State pursuant to Section 6(b) of the Act, and copies of any and all documents are routinely made available to other agencies, departments and Congress pursuant to Section 6(c) of the Act. The Attorney General also transmits a semi-annual report to Congress on the administration of the Act which lists the names of all agents registered under the Act and the foreign principals they represent. This report is available to the public in print and online at: <a href="http://www.fara.gov">http://www.fara.gov</a>.

Public Reporting Burden. Public reporting burden for this collection of information is estimated to average .33 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to Chief, Registration Unit, Counterespionage Section, National Security Division, U.S. Department of Justice, Washington, DC 20530; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503.

Name of Registrant     Gus West Government Affairs Inc.		2. Registration	2. Registration No.				
		6364					
3. N	ame of Foreign Principal	<u>  </u>	·	<del></del> ,			
Go	overnment of the Republic of Honduras	·					
<u></u> -	Check	Appropriate Box:	<del></del>				
4. 🗵	The agreement between the registrant and the above-recked, attach a copy of the contract to this exhibit.	named foreign princ	ipal is a formal written contract	t. If this box is			
5. 🗖	There is no formal written contract between the regist foreign principal has resulted from an exchange of co- correspondence, including a copy of any initial propo-	rrespondence. If thi	is box is checked, attach a copy	of all pertinent			
6. 🗌	The agreement or understanding between the registrant and the foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and expenses, if any, to be received.						
7. De	escribe fully the nature and method of performance of the	ne above indicated a	greement or understanding.				

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the footnote below	? Yes ⊠ No □	i			
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Footnote: "Political activity," as defined in Section 1(0) of the Act, means any activity which the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

### **GOVERNMENT AFFAIRS CONSULTING AGREEMENT**

This Agreement is entered into and executed on January 1<sup>st</sup>, 2017 ("Effective Date"), by and between Gus West Government Affairs Inc., a company headquartered in Washington, DC ("GWGA") and Pedro Alexander Pineda Díaz, bearer of national identification document No. 222-2014 of March 10, 2014, was appointed to the post of Minister of Administration and Financial Management of the Presidential Palace (hereinafter, "the Client").

#### I. APPOINTMENT

The Client hereby hires GWGA to provide the services described in Section II below, as well as any other services that may be agreed to in the Statements of Work to be signed at the appropriate time by the parties.

#### II. SERVICES

GWGA shall provide the following services to the Government of Honduras:

Assistance informing political stakeholders, opinion leaders, and the media in Washington, and eventually in other cities across the United States, about initiatives, achievements, and future plans of the Government of Honduras. Develop and work with the Government of Honduras to organize and implement a multifaceted strategy to make Honduras into a key ally of the United States of America and to gain the support of its officials, both elected and appointed, opinion leaders, research centers ("Think Tanks") and the media. The work shall involve aiding in the drafting of political position papers and press releases; managing meetings with United States Government officials, and build relationships with think tanks and policy center organizations, as well as with the media. The goal is to open a new dialogue and a new relationship between Honduras and the United States of America. GWGA must provide the Client with a monthly report detailing the activities carried out during that period to achieve the goals and objectives established in the Agreement.

#### III. COMPENSATION

- (a) GWGA shall be paid for its service in accordance with the Statements of Work to be signed by the parties in execution of this Agreement. The services may be billed by the hour, by a fixed amount, or in any other way, according to what is established in the applicable Statement of Work. Unless specifically determined otherwise in the Statement of Work, all invoices for professional fees and expenses shall be payable in full within twenty (20) days from the date of receipt of the invoice by the Client, through certified mail to the address indicated in Section 10 below; keeping in mind that in the case of expenses payable to third parties, the Client must provide the amount owed to GWGA prior to the date in which GWGA is required to pay the third parties. The Client must review all the invoices upon receipt, and shall notify GWGA in writing of any disputed charges or adjustments, within 20 days of receipt. If such written notification is not received, the invoices shall be deemed as payable in full. Late payments shall be subject to a late payment surcharge of one and a half percent (1.5%) per month, or the appropriate portion, of the total amount owed (but not to exceed the maximum legal rate). The Client commits to paying GWGA all legal fees and other costs incurred by GWGA to enforce the payments owed under this Agreement. The acceptance by GWGA of an amount less than the full payment does not mean a waiver of any of its rights to enforce the remaining amount owed.
- (b) Pursuant to each Statement of Work, GWGA must be reimbursed for the following expenses/costs:
- (i) Outside suppliers' costs; costs of production, talent, and services hired outside of GWGA, which shall be invoiced separately and will be subject to a value-added surcharge of 25%.

GWGA must submit price quotes for any outside suppliers, talent, and services to be hired outside of GWGA for the Client's prior approval. The Client may, if it so wishes, hire and pay outside suppliers directly.

- (ii) Petty cash expenses, including but not limited to stamps, packaging, express delivery, and other expenses incurred to send copies, orders, publications, and other materials; photocopies made internally at the office; expenses and per-diem for GWGA personnel required to travel in order to provide services to the Client; legal services incurred on behalf of the Client, including submission and registration costs related to the Foreign Agents Registration Act, Client requests to hire spokespersons, and negotiate terms and conditions with suppliers and providers hired on behalf of the Client, must be invoiced separately and will be subject to a 25% value-added surcharge.
- (c) Approval of any price quote by the Client shall constitute approval of all costs and expenses outlined in said quote. If actual costs and expenses exceed by five percent (5%) or more the most recent price quote approved by the Client, GWGA must send the Client an amended quote for approval. Excess costs and expenses under five percent (5%) shall be payable in accordance with this Agreement or the Statement of Work.

### IV. <u>DURATION</u>

- (a) The term of this Agreement shall begin as of the Effective Date, and will continue to be in effect until December 31, 2017. The Agreement may be automatically renewed, with written consent of both Parties, for subsequent one (1) year periods beginning on January 1<sup>st</sup> and ending on December 31<sup>st</sup>.
- (b) Either party may terminate this Agreement without cause, through written notification given thirty (30) days in advance, or with cause due to a material breach by the other Party that is not remedied, or which does not begin to be remedied, within thirty days after receipt of notification of said breach.
- (c) During the period of notification of the termination of the Agreement, GWGA's and the Client's rights, obligations, and responsibilities shall continue to be in effect, including, but not limited to the payment of professional fees and the provision of the services requested by the Client.
- (d) All non-refundable reservations, contracts, and other arrangements authorized by the Client that are in force as of the effective date of termination of the Agreement shall be automatically assumed by the Client or its representative, and GWGA shall be released of any obligations, responsibilities, and debts arising therefrom. Any reservations, contracts, and other arrangements that may not be assumed by the Client or cancelled, shall be completed by GWGA and paid by the Client pursuant to the terms of this Agreement. The Client shall also pay GWGA for all fees owed and costs incurred in connection with the services up to the date of termination.

#### V. OWNERSHOP OF MATERIALS

All materials generated by GWGA in the execution of this Agreement, and accepted and paid by the Client, shall be deemed to be "work done on commission" and shall be the exclusive property of the Client. GWGA shall retain ownership over authorship works created prior to or separately from the execution of its services under this Agreement, as well as over any materials rejected or not paid by the Client. The foregoing notwithstanding, all materials, rights, data, and intellectual property of third parties (such as spokespersons, pictures, and data with third-party license), shall remain the sole and exclusive property of those third parties, and the Client accepts using these third-party materials in accordance with any applicable use license terms.

#### VI. INDEMNIFICATION

- (a) GWGA shall indemnify and hold the Client, its parent entities, subsidiaries and affiliates, and the officials, directors, shareholders, employees, and agents of said entities harmless ("Client Indemnifications" [sic]) from any losses, damages, responsibilities, complaints, lawsuits, trials, costs, and any other petty cash costs (including reasonable attorney fees and expenses) (together, "Damages"), as well as Client Indemnifications [sic] they may incur or be responsible for as a result of a complaint, lawsuit or proceeding, legal summons, discovery request, or any other legal request or government investigation ("Complaint") submitted, notified, or filed [against] any of the Client Indemnifications based on or resulting from GWGA's negligence or willful misconduct.
- The Client shall indemnify and hold GWGA, its parent companies, subsidiaries and affiliates, and the officials, directors, shareholders, employees, and agents of said entities harmless ("GWGA Indemnifications" [sic]<sup>2</sup>) from any claims or damages that may be incurred by the GWGA Indemnifications as a result of: (i) any specific materials, permits, information, or instructions provided by the Client; (ii) materials or programs created or produced by GWGA for the Client under this Agreement, and which the Client approves prior to publication, execution, broadcasting, or use, including accusations that contentions, descriptions, or representations about the Client, its products, services, and competitors are false, misleading, baseless, or do not comply with the corresponding legal and regulatory requirements, directives, and rules applicable to the Client, its products, and industry; (iii) risks or restrictions that GWGA has warned the Client about, when the Client has elected to proceed; or (iv) the nature and use of the Client's products and services, including but not limited to, accusations that the Client's products are defective, detrimental, or harmful. The Client's obligations under this section include payment to GWGA by the Client for all time and expense charges (including reasonable attorney fees and expenses) incurred by GWGA related to any summons, discovery requests, or other legal requests or government investigations brought against GWGA or any of its affiliates, related to the Client, its business, or its industry, as a result of any litigations, proceedings, or investigations involving the Client.
- (c) Neither GWGA nor the Client shall be responsible to the other for any indirect, incidental, consequential, special, or punitive damages resulting in any way from the activities covered by this Agreement, whether under contract, tort, or other cause of action, even when said party has been made aware of the possibility of such damages. In any event, each party's responsibility under this Agreement may not exceed the amounts payable to GWGA under it.
- (d) Except for the cases specifically indicated in this Agreement, neither party makes any warranties or representations, whether express or implied, that the services or work products to be provided under the Agreement shall be free of errors or operate without disruptions, and any warranties of title, or merchantability or fitness for a particular purpose are expressly excluded.

#### VII. FORCE MAJEURE

(a) Neither party shall be deemed to be in breach of this Agreement to the extent that the execution of its obligations, or its attempts to remedy any breach are delayed or prevented due to events of force majeure, fire, natural disaster, accident, riot, acts of government, acts of war or terrorism, scarcity of materials or supplies, lack of transportation, means of communication, or providers or sellers of goods and services, or any other cause that is reasonably beyond the control of said party.

<sup>&</sup>lt;sup>1</sup> Translator's note: this paragraph is poorly worded in the original Spanish. First, the term "Indemnizaciones del Cliente" (Client Indemnifications) seems to refer to the parties covered by the release, so it should be "Parties Indemnizadas del Cliente" (Released Client Parties). Also, the context suggests that highlighted term should be "Damages".

<sup>&</sup>lt;sup>2</sup>Translator's note: the term should be "Partes Indemnizadas de GWGA" (Released GWGA Parties)

(b) It is acknowledged that GWGA has no control over the information once released to the media or becomes part of the public domain. Therefore, GWGA shall not be held responsible for acts or omissions by third parties, and cannot guarantee the use of any material through any means (written or electronic), or guarantee the accuracy of what any third party may publish.

#### VIII. NON-SOLICITATION OF EMPLOYEES

Each party agrees that for the duration of the period starting on the Effective Date and up to one year after the termination of the Agreement, the other Party may not, either directly or indirectly, hire, solicit, employ, hire as consultant, or in any other way secure the services of current and former employees or contractors of the other Party that were involved in the execution of this Agreement without the prior written consent of the other Party. The Parties agree that the current legal remedy available for a violation of this Section is inadequate and therefore, the non-violating Party shall be entitled to precautionary measures for said violation, without the need for proof of irreparable damage and without offering guarantees, in addition to any other right or remedy it may be entitled to

#### IX. CONFIDENTIALITY

Both Parties agree to keep confidential and not disclose or use for their own benefit or for the benefit of third parties (except when required for the execution of the services under this Agreement or when required by Law) any information, documents, or materials identified by one Party, at the moment of making them available to the other Party, as intellectual or confidential property, or property that should be reasonably deemed as confidential given the circumstances under which they are being shared. However, the confidentiality obligations in the preceding sentence shall not extend to any information, documents, or materials that (a) become publicly available without there having been a breach of this provisions; (b) are received, unrestricted, from a third party; or (c) are independently developed without making reference to the information received from the other Party under this Agreement, and said obligations expire on the second anniversary of the effective date of termination of this Agreement. In addition, both Parties may disclose confidential information that has been requested through a valid court order or by any other authorized government entity, provided that said Party promptly notifies the other Party and provides reasonable cooperation with the efforts of the other Party, if appropriate, to limit the disclosure and obtain confidential treatment or a protection order.

#### X. NOTIFICATIONS

All notifications under this Agreement shall be made in writing and sent via registered mail or express courier services, duly addressed as follows:

For GWGA, to the following address:

Attn: Gus West, with copy to Gus West Government Affairs Inc., Attn: Gus West

For the Client, to the following address:
Embassy of Honduras
3007 Tilden Street NW
Suite 4-M
Washington, DC 20008
Attn: Luis Cordero, Charge D'Affaires, a.i.

#### XI. ARBITRATION

All claims, disputes, and other questions arising from or related to this Agreement or breaches thereof, shall be decided through arbitration in the District of Columbia in accordance with the Honduras Conciliation and Arbitration Act in force, unless the Parties mutually agree otherwise. This arbitration agreement shall be specifically executable under the current arbitration legislation. The award issued by the Arbitrator shall be final and may be immediately enforced in accordance with applicable laws in any court with jurisdiction. The prevailing party shall be entitled to the reimbursement of costs and attorney fees. The arbitration request must be submitted within two (2) years of occurrence of the claim, dispute, or issue under challenge. This Agreement and all issues related thereto shall be subject to, and interpreted in accordance with the laws of the Republic of Honduras, without regard to principles of choice or conflict of law.

#### **MISCELLANEOUS** XII.

GWGA may include the name of the Client in client lists used for purposes of classification of the public relations industry, for directories, or for awards, and may disclose or otherwise advertise its relationship with the Client in industry publications. GWGA shall review the wording with the Client prior to publication. This Agreement constitutes the entire, exclusive and final agreement between the Parties about its purpose, and shall prevail over any prior agreements (including the Memorandum of Understanding between the Parties), proposals, negotiations, arrangements, and other communications and understandings between the Parties, whether verbal or in writing, with respect to the purpose of the Agreement. The validity, interpretation, execution, and fulfillment of this Agreement shall be subject to, and will be analyzed in accordance with the laws of the Republic of Honduras, without reference to their stipulations on conflict of law. This Agreement may not be amended, modified, or waived in any way. either in whole or in part, except in writing and with the signature of both Parties and their respective authorized representatives. The waiver of a breach by one Party of any of the provisions in this Agreement shall not constitute or be construed as a waiver of a prior, concurrent, or subsequent breach of that provision or any other provision of this Agreement by that Party. This Agreement and the rights, responsibilities, obligations, and charges thereunder shall be mandatory and binding for the benefit of the Parties successors and beneficiaries.

#### XIII. LANGUAGES

This Agreement is signed in two counterparts in the English and Spanish languages, with both documents being equally authentic. In the event of a discrepancy in their interpretation, the Spanish version shall prevail.

> /Round stamp/: Presidential Palace, Honduras. Minister of Administration and Financial Management. Government of the Republic of Honduras

# **ACCEPTED AND AGREED TO:** GWGA: /Illegible signature/ CLIENT: /Illegible signature/ Name: Gus West Name: Pedro A. Pineda Title: President CEO Title: Industrial Engineer Date: 02/03/2017 d and Swom to before me by Gusk. Wes

#### STATEMENT OF WORK #2

This Statement of Work #2 is carried out as part of the Agreement dated January 1, 2017 (the Agreement) and is valid for a period of twelve (12) months, ending on December 31, 2017. Any capitalized terms used in this Statement shall have the meaning established in the Agreement. In the event that the provisions of this Statement of Work conflict with those of the Agreement, the provisions of the Agreement shall prevail, unless the Statement of Work expressly sets forth otherwise.

#### **SERVICES**

GWGA shall provide the following services to the Government of Honduras:

Assistance informing political stakeholders and opinion leaders in Washington, about initiatives, achievements, and future plans of the Government of Honduras. Develop and work with the Government of Honduras to organize and implement a multifaceted strategy to make Honduras into a key ally of the United States of America and to gain the support of its officials, both elected and appointed, and opinion leaders. The work shall involve aiding in the drafting of political position papers and press releases; managing meetings with United States Government officials, and build relationships with think tanks and policy center organizations, as well as with the media. The goal is to open a new dialogue and a new relationship between Honduras and the United States of America. GWGA must provide the Client with a monthly report detailing the activities carried out during that period to achieve the goals and objectives established in the Agreement.

#### 2. COMPENSATION

GWGA shall be paid professional fees of US\$40,000.00 per month. These fees include income taxes calculated over the total to be paid monthly at the applicable rate of 25%, as established in articles 4 and 5 of the Honduran Income Taxes Act, and article 67 of Honduras' 2016 General National Budget (Decree 168/2015). This amount shall be withheld by the Client at the time of making the payments to GWGA, and shall be reported to the competent authority on tax matters in Honduras.

If the services are cancelled prior to the end of the formal agreement, the Client accepts to pay all invoices for time and expenses actually incurred, or for which GWGA may have irrevocably committed on the Client's behalf, until the date of cancellation, which must be done in writing.

Any additional work outside of this Statement of Work will require additional budget.

Travel expenses for trips outside of headquarters approved in advance, as well as local transportation, courier services and research materials, shall be invoiced separately. GWGA shall provide the Client with an itemized monthly invoice for this type of expenses.

INVOICE. The Consultant must submit invoices for all services provided. The Client must pay the amounts owed within twenty (20) days from the date of receipt of the invoice by the Client, sent via certified mail to the address indicated in the Agreement, keeping in mind that in the case of expenses payable to third parties, the Client must provide the amount owed to GWGA prior to the date in which GWGA is required to pay the third parties.

Petty cash expenses shall be paid separately.

#### 3. <u>CLIENT RESPONSIBILITIES</u>

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The Client acknowledges that the successful and timely provision of the services and the successful creation of the Materials to be provided under this Statement of Work, shall require the Client's good-faith cooperation. Therefore, the Client shall cooperate fully with GWGA, including, but not limited to, providing GWGA with the information necessary or appropriate, and relevant for GWGA's work, reasonably requested by GWGA, and providing a quick review of the materials submitted by GWGA. GWGA shall not be responsible for any delays caused by the Client's actions or omissions under this Statement of Work, including, but not limited to, requests for changes made by the Client within the scope of the services to be provided under this Statement of work.

By:_	/Illegible signature/	Date:	· ————
By:_	/Illegible signature/	Date: _	02/03/2017
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